



PRESS RELEASE

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IVSC publishes Exposure Draft for new “International Valuation Standards”

The International Valuation Standards Council (IVSC) has today published an Exposure Draft of proposed new “International Valuation Standards” (IVS). These cover valuations for most types of asset, including for the first time a proposed standard for financial instruments. The standards also reflect current developments in the International Financial Reporting Standards, which increasingly require assets and liabilities to be valued.

The IVSC project to improve its standards follows calls from global and national regulators for the standards of international valuation practice to be raised. The G20 called for “clarity and consistency in the application of valuation standards internationally” in its “Declaration on Strengthening the Financial System”, issued following its April 2009 London Summit.

The IVS aim to identify concepts and principles that are applicable to all types of valuation in order to improve consistency, transparency and therefore confidence in the valuation process. The International Valuation Standards Board (IVSB), the IVSC’s standard-setting body, has published this Exposure Draft to invite comments during a three-month public consultation period, with the new IVS planned for publication in January 2011.

Chris Thorne, chairman of the IVSB comments:

“Valuations are widely used and relied upon in the financial and other markets, whether for inclusion in financial statements, for regulatory compliance or to support secured lending and transactional activity. The IVSB aims to contribute to the efficiency of those markets by providing a framework for the delivery of credible and consistent valuation opinions. We strive to achieve this objective by developing and maintaining the IVS, and promoting the use of those standards.”

Michel Prada, Chairman of the IVSC Board of Trustees, adds:

“The financial crisis and the debate on fair value accounting has led to discussion on valuation’s essential role in shaping the new financial landscape. In the current economic

climate, where market volatility and uncertainty around valuations remains, it is important that uniform standards are adopted which are implemented according to best practice and sound professional rules of conduct.”

The Exposure Draft can be accessed on the IVSC’s website at www.ivsc.org

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NOTES TO EDITORS

About the International Valuation Standards:

The IVS are designed to:

- (a) Promote consistency and aid the understanding of valuations by identifying or developing globally accepted principles and terminology;
- (b) Identify and promulgate common principles for the undertaking of valuation assignments and the reporting of valuations;
- (c) Identify the appropriate valuation objectives and solutions for the major purposes for which valuations are required;
- (d) Identify specific issues that require consideration when valuing different types of assets or liabilities;
- (e) Promote the convergence of existing valuation standards that are in use in diverse sectors and states;

About the IVSC:

The International Valuation Standards Council (IVSC) is charged with developing robust and transparent procedures for performing international valuations through a single set of globally recognised valuation standards, acceptable to the world’s capital markets organisations, market participants and regulators, which will meet the challenges of a fast-changing global economy.

The governance structure of the IVSC, a non-profit organisation incorporated in the US, includes two independent technical Boards – the International Valuation Standards Board and the International Valuation Professional Board – and a global Board of Trustees responsible for the overall strategic direction and funding of the IVSC. The IVSC works co-operatively with national professional valuation institutes, users and preparers of valuations, governments, regulators and academic bodies, all of whom can become members of the IVSC and have an important role to play in advising the Boards on agenda decisions and priorities in the work of the IVSC. For more information please visit: www.ivsc.org